

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Atmos Energy)
Corporation's 2008-2009 Purchased Gas)
Adjustment and Actual Cost Adjustment.)

Case No. GR-2009-0417
JG-2010-0027

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its Recommendation, states as follows:

1. On July 16, 2009, Atmos Energy Corporation (Atmos) filed its Motion for Waiver of Tariff Provisions (Motion) and accompanying tariff sheet to discontinue the Actual Cost Adjustment (ACA) factor for the Neelyville District.

2. On July 16, 2009, the Commission issued its *Order Directing Staff To File Recommendation And Establishing Time For Response* (Order). The Order directed Staff to file its Recommendation no later than July 23, 2009, and set July 23rd as the deadline for parties to respond to Atmos' Motion.

3. In Atmos' last rate case, GR-2006-0387, the Commission authorized the consolidation of the Neelyville District with other districts. Atmos held off doing so until the ACA balance for the Neelyville District could be zeroed out. The Motion asserts the ACA balance for the Neelyville District will be in an under-recovered state by August 1, 2009. For that reason, Atmos asks the Commission to expeditiously approve its tariff to accomplish the district consolidation and to waive any provisions of Atmos' tariff provisions that would preclude the filing of the tariff.

4. The Staff has reviewed Atmos' tariff filing and has determined the tariff sheet has been filed in compliance with Atmos' PGA Clause and Commission rules. Staff believes good

cause for approval of tariff JG-2010-0027 on less than thirty days notice is demonstrated by Atmos' Commission-approved PGA clause allowing for ten business days notice for PGA change filings and its Motion. Staff has no objection to Atmos' request because the Neelyville District's minimal ACA balance at the end of July, 2009 will avoid an over-collection of gas costs. For reasons further explained in Staff's Memorandum, attached as Appendix A and incorporated by reference, the Staff recommends the Motion be granted and the tariff sheet filed on July 16, 2009, be allowed to become effective on August 1, 2009.

WHEREFORE, for the above stated reasons, the Staff recommends the Commission grant Atmos' Motion and approve tariff JG-2010-0027 as filed on July 16, 2009, allowing the tariff to become effective on August 1, 2009.

Respectfully submitted,

/s/ Robert S. Berlin

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 23rd day of July 2009.

/s/ Robert S. Berlin